

MAY 11, 1981

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON MAY 11, 1981 AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

MINERAL LEASE APPLICATIONS

OIL, GAS & HYDROCARBON MINERAL LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39172 Helen Adkins P. O. Box 83 Coalville, UT 84017	T2N, R21E, SLM Section 2: All Section 3: NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 5: SE $\frac{1}{4}$ SE $\frac{1}{4}$	Daggett 760.00 acres
Min. Lease Appl. No. 39173 Helen Adkins P. O. Box 83 Coalville, UT 84017	T2N, R23E, SLM Section 2: Lots 1-12, S $\frac{1}{2}$	Daggett 707.84 acres
Min. Lease Appl. No. 39174 Helen Adkins P. O. Box 83 Coalville, UT 84017	T2N, R22E, SLM Section 2: All	Daggett 640.00 acres

METALLIFEROUS MINERALS LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Metalliferous Minerals lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39167 George E. Plant 1645 West Southgate Avenue Salt Lake City, UT 84119	T9N, R17W, SLM Section 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$	Box Elder 561.40 acres
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GILSONITE LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Gilsonite lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 39171 Garrand Corporation 10 Exchange Place Salt Lake City, UT 84119	T8S, R23E, SLM Section 36: All T9S, R23E, SLM Section 1: Lot 1 Section 2: All Section 10: NE $\frac{1}{4}$ NE $\frac{1}{4}$ T9S, R24E, SLM Section 6: Lot 4	Uintah 1,374.48 acres
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SPECIAL STIPULATIONS continued on Page No. 2

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GILSONITE LEASE APPLICATION - APPROVED CONTINUED

Mineral Lease Application No. 39171 Continued from Page 1

SPECIAL STIPULATIONS: Anything herein to the contrary notwithstanding, Lessee agrees to obtain written permission from Deseret Generation and Transmission Cooperative prior to the conduct of any mineral exploration or mining activities on lands contained in SULA 520 (namely T8S, R23E, SLM, Section 36; and T9S, R23E, SLM, Section 2). Furthermore, Lessee shall be fully liable and hold Lessor harmless for any damages caused to improvements, equipment, facilities, or materials of Deseret Generation and Transmission Cooperative on lands contained in SULA 520 and resulting from Lessee's activities under this mineral lease.

CHANGE OF NAME AND ADDRESS

ML 33864 Sand and Gravel

The above numbered lease was issued to Rio Blanco Contractors, Inc., on March 16, 1977. Rio Blanco Contractors, Inc., a wholly owned subsidiary of W.C. James, Inc., has since been phased out and the lease should be changed to indicate W.C. James, Inc., P. O. Box 310, Vernal, UT 84078, as the Lessee of record.

Upon recommendation of Mr. Blake, the Director approved this change of name and address on the State records.

MINERAL LEASE ASSIGNMENTS

TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Yellowstone Resources, Inc., 1726 Champa, Suite 300, Denver, CO 80202 by Richard A. Peterson. No override.

LEASE OWNERSHIP: Richard A. Peterson

ML 36972....T5S, R24E, Sec 31: E $\frac{1}{2}$ NE $\frac{1}{4}$, Sec 32: N $\frac{1}{2}$, 400.00	Uintah
ML 36973....T5S, R23E, Sec 32: NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{2}$ SE $\frac{1}{4}$, 80.00	Uintah
ML 36974....T4S, R23E, Sec 32: All, 663.60	Uintah
ML 36977....T11S, R5W, Sec 32: All, 640.15	Juab
ML 36978....T10S, R6W, Sec 32: All, 640.00	Tooele
ML 36979....T9S, R3W, Sec 2: All, 662.96	Utah
ML 36980....T9S, R2W, Sec 2: All, 640.00	Utah
ML 36981....T6S, R3W, Sec 32: Lots 1-10, SW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ T7S, R3W, Sec 2: Lots 1,3,4, S $\frac{1}{2}$ NW $\frac{1}{4}$, 771.94	Tooele
ML 36982....T5S, R5W, Sec 4: Lots 10-14, 17-19, S $\frac{1}{2}$ NE $\frac{1}{4}$, 293.47	Tooele
ML 36983....T42S, R14E, Sec 2: All, 637.52	San Juan
ML 36985....T41S, R14E, Secs 2,36: All, 1,274.60	San Juan
ML 36986....T39S, R14E, Sec 36: All, 640.00	San Juan
ML 36987....T42S, R13E, Secs 16, 36: All, 1,280.00	San Juan
ML 36988....T39S, R13E, Sec 36: N $\frac{1}{2}$, SE $\frac{1}{4}$, 480.00	San Juan
ML 36989....T40S, R12E, Sec 16: All, 640.00	San Juan
ML 36990....T33S, R7E, Sec 16: All, 640.00	Garfield
ML 36992....T5S, R1W, Sec 14: Part of N $\frac{1}{2}$ NW $\frac{1}{4}$, Part of SW $\frac{1}{4}$, Sec 15: N $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, Sec 23: Part of N $\frac{1}{2}$ NW $\frac{1}{4}$ Sec 26: Part of NW $\frac{1}{4}$, Sec 27: Part of S $\frac{1}{2}$ SE $\frac{1}{4}$, 492.04	Utah
ML 36997....T27S, R7E, Sec 36: All, T28S, R7E, Sec 2: All T27S, R8E, Sec 16: All, 1,912.44	Wayne
ML 36998....T24S, R9E, Sec 36: All, T25S, R9E, Sec 32: All, 1,280.00	Emery
ML 36999....T26S, R9E, Sec 16: All, 640.00	Emery
ML 37000....T27S, R6E, Sec 2: All, 638.28	Wayne

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TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Yellowstone Resources, Inc., 1726 Champa, Suite 300, Denver, CO 80202 by Richard A. Peterson. No override.

LEASE OWNERSHIP: Richard A. Peterson

ML 37001....T2S, R3W, Sec 3: S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, Sec 11: N $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, Sec 12: E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, Sec 32: All, Sec 36: E $\frac{1}{2}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, 1,760.00	Tooele
ML 37002....T2S, R6W, Sec 32: All, T3S, R6W, Sec 8: Lots 2,3,4, NW $\frac{1}{4}$ NW $\frac{1}{2}$, 754.46	Tooele
ML 37470....T40S, R6E, Sec 32: All, T41S, R6E, Sec 16: All, 1,280.00	Kane
ML 37471....T41S, R7E, Sec 2: All, 737.76	Kane
ML 37472....T40S, R5E, Sec 32: All, 640.00	Kane
ML 37473....T39S, R5E, Sec 36: All, T40S, R5E, Sec 2: All, 1,281.88	Kane
ML 37474....T27S, R8E, Sec 36: All, 640.00	Wayne
ML 37476....T28S, R19W, Sec 2: All, Sec 36: All, 1,283.52	Beaver
ML 37707....T37S, R8E, Sec 2: All, 643.48	Garfield

Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon lease listed below to Northwest Exploration Company, P.O. Box 5800, T.A., Denver, Co 80217 by Northwest Pipeline Corporation. No override.

LEASE OWNERSHIP: Northwest Pipeline Corporation

ML 31149....T16S, R23E, Sec 36: All, 640.00	Grand
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Upon recommendation of Mr. Prince, the Director approved the assignment of the Oil, Gas and Hydrocarbon leases listed below to Chevron USA, Inc., P.O. Box 599, Denver, Co 80201 by Raymond Chorney, override as indicate. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Raymond Chorney

3 $\frac{1}{2}$ % orr, and subject to 1 $\frac{1}{2}$ % previously reserved orr	
ML 30781....T25S, R11E, Sec 36: All, 640.00	Emery
ML 30984....T26S, R11E, Sec 2: All, 640.00	Emery
Tract 1: 3 $\frac{1}{2}$ % orr ; subject to 1 $\frac{1}{2}$ % previously reserved orr	
ML 30985....Tract #1: T26S, R12E, Secs 2,16: All,	
Tract 2: 5% orr reserved	
Tract #2: T26S, R12E, Sec 32: All, 1,953.70	Emery /Wayne
5% orr reserved	
ML 30986....T27S, R11E, Secs 2,16,36: All, 1,924.08	Wayne
ML 31004....T26S, R11E, Secs 16,32,36: All, 1,920.00	Emery
ML 31005....T25S, R12E, Sec 36: All, 640.00	Emery
ML 31006....T27S, R10E, Sec 2: All, T27S, R11E, Sec 32: All, 1,271.12	Wayne
ML 31007....T26S, R10E, Sec 16,36: All, 1,280.00	Emery
ML 31109....T28S, R11E, Sec 17: N $\frac{1}{2}$ NE $\frac{1}{4}$, 80.00	Wayne
ML 31110....T28S, R10E, Sec 16: N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, 280.00	Wayne
ML 31112....T27S, R9E, Secs 2,36: All, 1,277.20	Wayne
ML 31113....T26S, R10E, Secs 2, 32; All, 1297.36	Emery
ML 31114....T25S, R11E, Sec 32: All, 640.00	Emery

INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of 12.5% of a 50% interest or 6.25% interest in the Oil, Gas and Hydrocarbon lease listed below to El Paso Exploration Company, P.O. Box 1492, El Paso, TX 79978 by American Quasar Petroleum Co. of New Mexico. No override.

LEASE OWNERSHIP: American Quasar Petr Co. of N.M.- 50%; Phillips Petroleum Co.-50%

ML 28943....T2N, R10E, Sec 14: S $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, 160.00	Summit
ML 28944....T2N, R10E, Sec 26: S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, 160.00	Summit
ML 28945....T2N, R10E, Sec 36: All,	Summit

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INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of a 60% interest in part of leased lands -- T20S, R7E, Sec 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$ -- to Republic Oil & Mining Company, 629 East 2nd So., Salt Lake City, UT 84102 by Hawthorn Oil Company. No override.

LEASE OWNERSHIP: Hawthorn Oil Company

ML 30650....T20S, R7E, Sec 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$, 40.00 Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of a 60% interest in part of leased lands -- T20S, R7E, Sec 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$ -- to Fossil Petroleum Corporation, 8350 N. Central Expressway, Suite 2160, Dallas, TX 75206 by Republic Oil & Mining Co., who reserves 7 $\frac{1}{2}$ % overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Republic Oil & Mining Co. - 60% in assigned lands
Hawthorn Oil Co - 40% in assigned lands and 100% in balance of lease

ML 30650....T20S, R7E, Sec 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$, 40.00 Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of 40% interest in the Oil, Gas and Hydrocarbon lease listed below to Edward Edmunds, Jr., 801 East Blanchard, El Paso, TX 79902 by Questa Petroleum, Inc. No override, but subject to 4% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Questa Petroleum, Inc.

ML 30958-A...T25S, R16E, Sec 36: All, 640.00 Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from the surface of the earth to a depth equal to the stratigraphic equivalent of 264 feet below the top of the Cedar Mesa formation as encountered at 436 feet in the Kirkwood No. 44-32 State in SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 32, T31S, R15E, to William C. Kirkwood, Oil and Gas Properties, P.O. Drawer 3439, Casper, WY 82602 by Texaco, Inc. No override.

LEASE OWNERSHIP: Texaco, Inc.

ML 26917....T31S, R15E, Sec 21: SE $\frac{1}{4}$, NW $\frac{1}{4}$, 320.00 Garfield

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from the surface of the earth to a depth equal to the stratigraphic equivalent of 35 feet below the top of the Cedar Mesa formation as encountered at 485 ft. in the Kirkwood No. 11-2 State well in NW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec 2, T32S, R15E, to William C. Kirkwood, Oil and Gas Properties, P.O. Box 3439, Casper, WY 82602, by Texaco, Inc. No override.

LEASE OWNERSHIP: Texaco, Inc

ML 26922....T32S, R15E, Sec 2: NW $\frac{1}{4}$, SE $\frac{1}{4}$, 318.86 Garfield

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from the surface of the earth to a depth equal to the stratigraphic equivalent of 38 feet below the top of the Elephant Canyon formation as encountered at 1,732 ft. in the Kirkwood No. 31-16 well in NW $\frac{1}{4}$ NE $\frac{1}{4}$, Sec 32, T31S, R15E, to William C. Kirkwood, Oil and Gas Properties, P.O. Box 3439, Casper, WY 82602, by Texaco, Inc. No override.

LEASE OWNERSHIP: Texaco, Inc

ML 26923....T32S, R15E, Sec 16: NE $\frac{1}{4}$, SW $\frac{1}{4}$, 320.00 Garfield

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INTEREST ASSIGNMENT - OIL, GAS AND HYDROCARBON LEASE CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of operating rights from the surface of the earth to a depth equal to the stratigraphic equivalent of 295 feet below the top of the White Rim formation as encountered at 325 ft. in the Kirkwood No. 34-16 State well in SW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 16, T31S, R15E, to William C. Kirkwood, Oil and Gas Properties, P.O. Box 3439, Casper, WY 82602, by Texaco, Inc. No override.

LEASE OWNERSHIP: Texaco, Inc

ML 27138....T31S, R15E, Sec 16: SE $\frac{1}{4}$, NW $\frac{1}{4}$, 320.00

Garfield

Upon recommendation of Mr. Prince, the Director approved the assignment of 3% interest in the Oil, Gas and Hydrocarbon lease listed below to Petro-Funding, Inc, Suite 328, 1935 So. Main St. Salt Lake City, UT 84115 by Sun International, Inc., formerly Sun Resources, Inc. No override, but subject to 3% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Sun International Inc., (formerly Sun Resources, Inc.) - 75%;
National Treasure Mines Co. - 15% Continental Thrift and Loan Co. - 3.75%;
Darwin L. Peterson - 3.25%

ML 27795....T20S, R21E, Sec 16: W $\frac{1}{2}$, SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$; Sec 17: N $\frac{1}{2}$ NE $\frac{1}{4}$, 720.00

Grand

Upon recommendation of Mr. Prince, the Director approved the assignment of 6.25% interest in the Oil, Gas and Hydrocarbon lease listed below to Sun International Inc., 1935 South Main, Salt Lake City, UT 84115 by National Treasure Mines Company. No override, but subject to 3% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Sun International, Inc. - 72%;
National Treasure Mines Co. - 15%; Darwin L. Peterson - 3.25%
Continental Thrift and Loan Co. - 3.75%; Petro-Finding, Inc. - 3%

ML 27795....T20S, R21E, Sec 16: All; Sec 17: N $\frac{1}{2}$ NE $\frac{1}{4}$, 720.00

Grand

Upon recommendation of Mr. Prince, the Director approved the assignment of 4.50% interest in the Oil, Gas and Hydrocarbon lease listed below to Mary C. Millmer, 1833 Fieldcrest Lane, Salt Lake City, UT 84117 by National Treasure Mines Company. No override, but subject to 3% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Sun International, Inc. - 78.25%;
National Treasure Mines Co. - 8.75%; Darwin L. Peterson - 3.25%
Continental Thrift and Loan Co. - 3.75%; Petro-funding, Inc. 3%

ML 27795....T20S, R21E, Sec 16: All; Sec 17: N $\frac{1}{2}$ NE $\frac{1}{4}$, 720.00

Grand

Upon recommendation of Mr. Prince, the Director approved the assignment of 0.50% interest in the Oil, Gas and Hydrocarbon lease listed below to Petro-Funding Inc, Suite 328, 1935 So. Main St. Salt Lake City, UT 84115 by National Treasure Mines Company. No override, but subject to 3% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Sun International, Inc. - 78.25%; Petro-Funding, Inc. - 3%
National Treasure Mines Co. - 4.25%; Darwin L. Peterson - 3.25%
Continental Thrift and Loan Co. - 3.75%; Mary C. Millner - 4.5%

ML 27795....T20S, R21E, Sec 16: All; Sec 17: N $\frac{1}{2}$ NE $\frac{1}{4}$, 720.00

Grand

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SUB-LEASE ASSIGNMENT - OIL, GAS AND HYDROCARBON LEASE

Upon recommendation of Mr. Prince, the Director approved the sub-lease for a term of four years beginning June 1, 1981 of the Oil, Gas and Hydrocarbon lease listed below to Enercor, c/o Fox Edwards & Gardner, American Plaza II, Suite 400, 57 West 200 So., Salt Lake City, Utah 84101, Attention: Steven D. Peterson by Texaco, Inc., No override.

LEASE OWNERSHIP: Texaco, Inc.

ML 21202....T12S, R25E, Sec 32: All, 640.00

Uintah

PARTIAL ASSIGNMENT - OIL, GAS AND HYDROCARBON

Upon recommendation of Mr. Prince, the Director approved the partial assignment of the Oil, Gas and Hydrocarbon lease listed below to Chevron USA, Inc., P.O. Box 599, Denver, CO 80201 by Raymond Chorney, who reserved 5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Raymond Chorney

ML 31111....New lease to be numbered ML 31111-A

Part assigned: T28S, R9E, Sec 2: All, 641.32

Wayne

Remaining in lease: T28S, R9E, Sec 36: All, 640.00

OVERRIDING ROYALTY ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES

Upon recommendation of Mr. Prince, the Director approved the assignment of 1.125% of 1% overriding royalty to;

John R. Anderson .5625% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

Carol Lee Hatch .5625% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Chevron USA, Inc; W. G. Lasrich - 3% orr

.....ML 27772

Upon recommendation of Mr. Prince, the Director approved the assignment of .75% of 1% overriding royalty to;

John R. Anderson .375% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

Carol Lee Hatch .375% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Chevron USA, Inc; W. G. Lasrich - 2% orr

.....ML 28095

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OVERRIDING ROYALTY ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of 1.00% of 1% overriding royalty to;

John R. Anderson .50% of 8/8ths
1570 Commercial Security Bank Tower
50 South Mian Street
Salt Lake City, UT 84144

Carol Lee Hatch .50% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Santa Fe Energy Co.; W. G. Lasrich - 2% orr

.....ML 28097

Upon recommendation of Mr. Prince, the Director approved the assignment of .75% of 1% overriding royalty to;

John R. Anderson .25% of 8/8ths
1570 Commercial Security Bank Tower
50 South Mian Street
Salt Lake City, UT 84144

Carol Lee Hatch .50% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Chevron USA, Inc; W. G. Lasrich - 2% orr

.....ML 28107

Upon recommendation of Mr. Prince, the Director approved the assignment of .9375% of 1% overriding royalty to;

John R. Anderson .46875% of 8/8ths
1570 Commercial Security Bank Tower
50 South Mian Street
Salt Lake City, UT 84144

Carol Lee Hatch .46875% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Santa Fe Energy Co.; W. G. Lasrich - 2½% orr

.....ML 28093

Upon recommendation of Mr. Prince, the Director approved the assignment of .9375% of 1% overriding royalty to;

John R. Anderson .46875% of 8/8ths
1570 Commercial Security Bank Tower
50 South Mian Street
Salt Lake City, UT 84144

Carol Lee Hatch .46875% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Santa Fe Energy Co. - 50%; Chevron USA, Inc. - 50%
W. G. Lasrich - 2½% orr

.....ML 28094

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OVERRIDING ROYALTY ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of .75% of 1% overriding royalty to;

John R. Anderson .25% of 8/8ths
1570 Commercial Security Bank Tower
50 South Mian Street
Salt Lake City, UT 84144

Carol Lee Hatch .50% of 8/8ths
1570 Commercial Security Bank Tower
50 South Main Street
Salt Lake City, UT 84144

by W. G. Lasrich. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Santa Fe Energy Co.; W. G. Lasrich - 2% orr

.....ML 28096

Upon recommendation of Mr. Prince, the Director approved the assignment of 1% overriding royalty to Hingeline Royalty, Inc., 323 Boston Bldg., Salt Lake City, UT 84111 by E. H. Stone Investment Co. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: E. H. Stone Investment Company

ML 30452....ML 30453....ML 30454....ML 30455....ML 30516....ML 30517....ML 30518
ML 30519....ML 31247....ML 31417....ML 32082....ML 32180....ML 32181

This assignment is to correct a type error in Sec 2 of the assignment approved September 22, 1980.

TOTAL ASSIGNMENT - METALLIFEROUS MINERALS LEASE

Upon recommendation of Mr. Prince, the Director approved the assignment of the Metalliferous Minerals lease listed below to Earth Sciences, Inc., Highway 93 North, Golden, CO 80401 by Alumet Company. No Override.

LEASE OWNERSHIP: Alumet Company

ML 30418....T31S, R17W, Sec 36: S $\frac{1}{2}$;
T32S, R17W, Sec 2: Lots 1,2,3,4,S $\frac{1}{2}$,S $\frac{1}{2}$ N $\frac{1}{2}$, 988.64 Iron

REQUEST FOR APPROVAL OF THE MONTES CREEK COMMUNITIZATION AGREEMENT

for Section 18, Township 2 South, Range 1 East, Uintah Special Meridian

Linmar Energy Corporation, operator of the drilling unit comprising all of Section 18, Township 2 South, Range 1 East, Uintah Special Meridian, containing 639.18 acres, more or less, has submitted a request for approval of a communitization agreement covering this land. This agreement correctly shows the interest of the State of Utah in this land. The State of Utah has one lease in this area which is ML 14035 containing 159.64 acres or 24.98 percent of the communitization area with Chevron USA Inc., as lessee. Chevron USA Inc. has committed their lease to this agreement.

This agreement is in order, and upon recommendation of Mr. Bonner, the Director approved this Communitization Agreement.

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REQUEST FOR APPROVAL OF THE THOMPSON UNIT *E.W.B.*

Toledo Mining Company, operator of the Thompson Unit has filed this unit for approval by the State of Utah. The Thompson Unit is located near the town of Thompson just north of Interstate 70. This unit contains 24,522.17 acres of which 20,533.61 acres or 83.73 percent are Federal lands, 2,948.56 acres or 12.03 percent are State lands, and 1,040.00 acres or 4.24 percent are Patented lands.

The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 100 feet of the Entrada Formation, but not to exceed 3,850 feet.

This unit is on the standard unit agreement form and contains all of the necessary State Land provisions.

The following are the State of Utah leases in this unit.

ML 26110	Toledo Mining Company
ML 26111	Toledo Mining Company
ML 26113	Toledo Mining Company
ML 26114	Toledo Mining Company
ML 28949	Pennzoil Company
ML 29287	Gulf Oil Corporation
ML 32310	Husky Oil Company

Toledo Mining Company, lessee of ML 26110, ML 26111, ML 26113, and ML 26114, has committed their leases to the unit. Pennzoil Company, Gulf Oil Corporation, and Husky Oil Company have not yet made their decisions as to whether or not they will join the unit.

Upon recommendation of Mr. Bonner, the Director approved this Unit.

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SURFACE BUSINESS MATTERS

RIGHT OF WAY APPLICATIONS

AMENDMENT TO RIGHT OF ENTRY NO. 2124

Kail

The Division of State Lands has received a request from C.G.G., c/o Michael J. Vandenberg, Permit Agent, Crew 522, General Delivery, Roy, Utah 84401 to add the following State lands to the above referenced right of entry.

Line 6	<u>T5N, R4W, SLB&M</u> Weber County <u>Section 11,12:</u> <u>T5N, R3W, SLB&M</u> Weber County <u>Sections 18,7,8,9,10</u>
Line 8	<u>T4N, R3W, SLB&M</u> Davis County <u>Section 33,34,27,26,24</u> <u>T4N, R2W, SLB&M</u> Davis County <u>Section 17:</u>
Line 9	<u>T3N, R3W, SLB&M</u> Davis County <u>Sections 35, 36, 25:</u> <u>T3N, R2W, SLB&M</u> Davis County <u>Sections 30,19,20,17,16,10,11,2,1:</u>
Line 10	<u>T2N, R3W, SLB&M</u> Davis County <u>Sections 22,23,14,13,12:</u> <u>T2N, R2W, SLB&M</u> Salt Lake County <u>Sections 7,6,5:</u> <u>T3N, R2W, SLB&M</u> Davis County <u>Sections 32,33,27,26,23,24,13:</u> <u>T3N, R1W, SLB&M</u> Davis County <u>Sectins 18,7,8:</u>
Line 11	<u>T2N, R2W, SLB&M</u> Salt Lake County <u>Section 4:</u> <u>T3N, R2W, SLB&M:</u> Davis County <u>Sections 33,34,35,26,25,24:</u> <u>T3N, R1W, SLB&M</u> Davis County <u>Sections 19,20,17,16:</u>
Line 12	<u>T1N, R3W, SLB&M</u> Salt Lake County <u>Sections 10,2,1:</u> <u>T2N, R3W, SLB&M</u> Davis County <u>Section 36:</u> <u>T2N, R2N, SLB&M</u> Salt Lake County <u>Sections 31,29,28,21,22,15,14,13,12:</u> <u>T2N, R1W, SLB&M</u> Davis County <u>Sections 7,6,5:</u> <u>T3N, R1W, SLB&M</u> Davis County <u>Sections 33,34,27:</u>
Line 18	<u>T5N, R3W, SLB&M</u> Weber County <u>Sections 8,17,20,29,32: Weber Co.</u> <u>T4N, R3W, SLB&M</u> Davis County <u>Sections 5,8,17:</u>
Line 20	<u>T2N, R3W, SLB&M</u> Davis County <u>Sections 11,14,23,24,25,36:</u> <u>T1N, R3W, SLB&M</u> Salt Lake County <u>Sections 1,12:</u>

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RIGHT OF WAYS CONTINUED

RIGHT OF ENTRY NO. 2132 MMW

SEFEL Geophysical, 201 South Cherokee, Denver, CO 80223, has submitted an application for a seismic survey using explosive on lath totals 1 3/4 mile at \$100/mile across the following described State land in Carbon County:

T11S, R10E, SLB&M Carbon County
Section 16: E $\frac{1}{2}$ and Section 32: E $\frac{1}{2}$

The initial payment is \$175.00, plus a \$20.00 application fee, for a total of \$195.00. School fund. The expiration date is June 30, 1981.

Upon recommendation of Mr. Wall, the Director approved this Right of Entry.

RIGHT OF ENTRY NO. 2133 MMW

Texaco, Inc., Party No. 40, P. O. Box 1557, Cortez, CO 81321, has submitted an application for a vibroseis seismic survey--twenty three miles at \$50.00 per mile across the following State land in Carbon and Emery County:

<u>T14S, R8E, SLB&M</u>	Carbon County
<u>Secs: 19,20,27,28,34,36</u>	
<u>T14S, R9E, SLB&M</u>	Carbon County
<u>Secs: 25,26,27,32,35,36</u>	
<u>T14S, R10E, SLB&M</u>	Carbon County
<u>Secs: 19,30,31</u>	
<u>T15S, R10E, SLB&M</u>	Carbon County
<u>Secs: 5,6,8,9,10</u>	
<u>T15S, R9E, SLB&M</u>	Carbon County
<u>Secs: 13,14,15,24</u>	
<u>T13S, R15E, SLB&M</u>	Carbon County
<u>Secs: 32,36</u>	
<u>T14S, R13E, SLB&M</u>	Carbon County
<u>Section: 36</u>	
<u>T16S, R8E, SLB&M</u>	Emery County
<u>Section: 36</u>	
<u>T16 S, R9E, SLB&M</u>	Emery County
<u>Section 32</u>	

The initial payment is \$1,150.00, plus a \$20.00 application fee, totaling \$1,170.00. University of Utah fund - \$150.00. Reservoirs fund \$25.00. School fund \$975.00. The expiration date is July 31, 1981.

Upon recommendation of Mr. Wall the Director approved this Right of Entry.

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RIGHT OF ENTRY NO. 2125 ZBW

Seismograph Service, Incorporated, General Delivery, Ogden, Utah, Attn: Jack McKay, has made application to conduct a surface-shot seismic survey across the following described State land in Garfield and Kane Counties:

<u>Township 37 South, Range 3 East, SLB&M</u>	
<u>Section 32</u>	Garfield County
<u>Township 38 South, Range 3 East, SLB&M</u>	
<u>Section 16</u>	Kane County

The fee is \$100.00/mile for two miles plus a \$20.00 application fee for a total of \$220.00. School Fund. The expiration date is July 31, 1981.

Upon recommendation of Mr. Wilcox the Director approved this Right of Entry.

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GRAZING PERMITS

GRAZING PERMIT CORRECTION *RBW*

GP 21661

The description in GP 21661, held by Minersville Land and Livestock, was approved as:

Township 29 South, Range 11 West, SLB&M
Section 21: NW $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$

should be corrected to read:

Township 29 South, Range 11 West, SLB&M
Section 21: NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$

Upon recommendation of Mr. Wilcox, the Director approved this correction.

GRAZING PERMIT ASSIGNMENT APPROVED *RBW*

GP No's 20173 and 19678

W.R. Little, Kanab, Utah 84741, has requested permission to assign these grazing permits to Andrew Lane Little, Box 514, Kanab, Utah 84741.

Upon recommendation of Mr. Wilcox, the Director approved this assignment.

GRAZING PERMIT RENEWAL APPLICATION APPROVED *RBW*

Upon recommendation of Mr. Wilcox, the Director approved the following Grazing Permit renewal application.

GP 21657

W. Craig & Spencer B. Jones, 261 South 450 West, Cedar City, Utah 84720

678.88	acres	10	¢ per acre per annum	10	years	Iron	County
January 1, 1981	Beginning Date	Fund	School	Fee	\$67.89	Total	\$77.89

Township 35 South, Range 14 West, SLB&M

Section 3: Lots 3, 4

Section 16: E $\frac{1}{2}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$

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GRAZING PERMIT CANCELLATION

GP #16837 *RAM*

This grazing permit is in the name of Vern Stone and George V. Stone who are one and the same person. Mr. Stone passed away in 1976 and his son, Marden J. Stone, is buying the farm, and has been paying the grazing permits. He has now requested that we cancel the grazing permit for non-payment. He has applied for a new permit in his name, GP 21743. The State land involved in this permit is described as follows:

Township 19 South, Range 2 West SLB & M

Section 36 Millard County

Grazing fees due for 1981 are 682.34 acres at 10 cents per acre, \$68.23 plus a \$10.00 application fee totaling \$78.23.

Upon recommendation of Mr. Brown, the Director approved this grazing permit cancellation.

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GRAZING PERMIT RENEWAL APPLICATIONS APPROVED *Ram*

Upon recommendation of Mr. Brown, the Director approved the Grazing Permit renewal applications listed below:

GP 21612

Ray Okeberry, Box 74, Goshen, Utah 84633

640.00 acres 10 ¢ per acre per annum 10 years Millard County
January 1, 1981 Beginning Date Fund School Fee \$64.00 Total \$74.00

Township 23 South, Range 18 West, SLB&M
Section 36: All Millard County

GP #21743

Marden J. Stone, Box 17, Scipio, Utah 84656

682.34 Acres 10 cents per acre annum 10 Years Millard County
January 1, 1981 Beginning Date Fund School Fee \$68.23 Total \$78.23

Township 19 South, Range 2 West SLB&M
Sec 36 Millard County

TIMBER APPLICATIONS APPROVED *Ram*

Upon recommendation of Mr. Storey, the Director approved the Timber Applications listed below:

T/A # 572

Gerry Beale, 3300 Thom Boulevard, Las Vegas, Nevada 89106 has requested permission to purchase 30 Johsua Trees from the following described State Lands:

Township 43 South, Range 19 West, SLB&M
Section 16

Trees will be sold for \$5.00 per tree, plus a \$10.00 application fee for a total cost of \$160.00. Sale will be completed by May 1, 1981.

T/A #573

Kelly Trimble, 8268 Etienne Way, Sandy, Utah, has requested permission to purchase 199 Aspen seedlings from the following described land:

Township 29 South, Range 1 West, SLB&M
Section 2 Piute County

100 Aspen 6'-9' tall at a cost of \$2.00 each and 99 Aspen 1'-6' tall at a cost of \$1.00 each plus a \$10.00 application fee for a total cost of \$309.00. Sale will be completed by June 30, 1981.

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TIMBER APPLICATION APPROVED *QAM*

Upon recommendation of Mr. Storey, the Director approved the Timber Application listed below:

T/A #574

Dominene Stevens, 2715 East Snow Mountain Drive, Salt Lake City, Utah has requested permission to purchase 299 Aspen seedlings from the following described State lands:

Township 29 South, Range 1 West, SLB&M
Section 2 Piute County

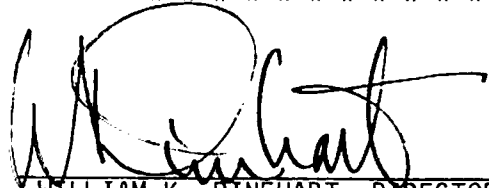
299 seedlings at \$1.00 each plus a \$10.00 application fee for a total cost of \$309.00. Sale will be completed by June 30, 1981.

MINERAL LEASES TO BE CANCELLED *QAM*

The following leases are to be cancelled due to non-payment of 1981 rental. Certified notices were mailed. No certified receipt received back. Tracers were requested from the post office but receipts were not located. Upon recommendation of Mr. Miller, the Director approved the cancellation of these mineral leases and listing the lands for lease by simultaneous bid.

<u>NAME</u>	<u>ACCOUNT NO.</u>	<u>TYPE</u>
Pilot Exploration	ML 23007	Met.
Phillips Petroleum Co.	ML 27284	OG&H
Helen D. Horning	ML 29866	Oil Shale
Lloyd A. Lowry	ML 31385	Met.
Atlantic Richfield Co.	ML 37437	Geo. Steam
Atlantic Richfield Co.	ML 37438	Geo. Steam

<u>INTEREST RATES</u>	<u>CURRENT</u>	<u>YEAR AGO</u>
Prime Rate	19.00	15.75
Federal Funds	9.50	7.40
Discount Rates	13.00	12.00


WILLIAM K. DINEHART, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY


VERNA A. PETERSEN, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209